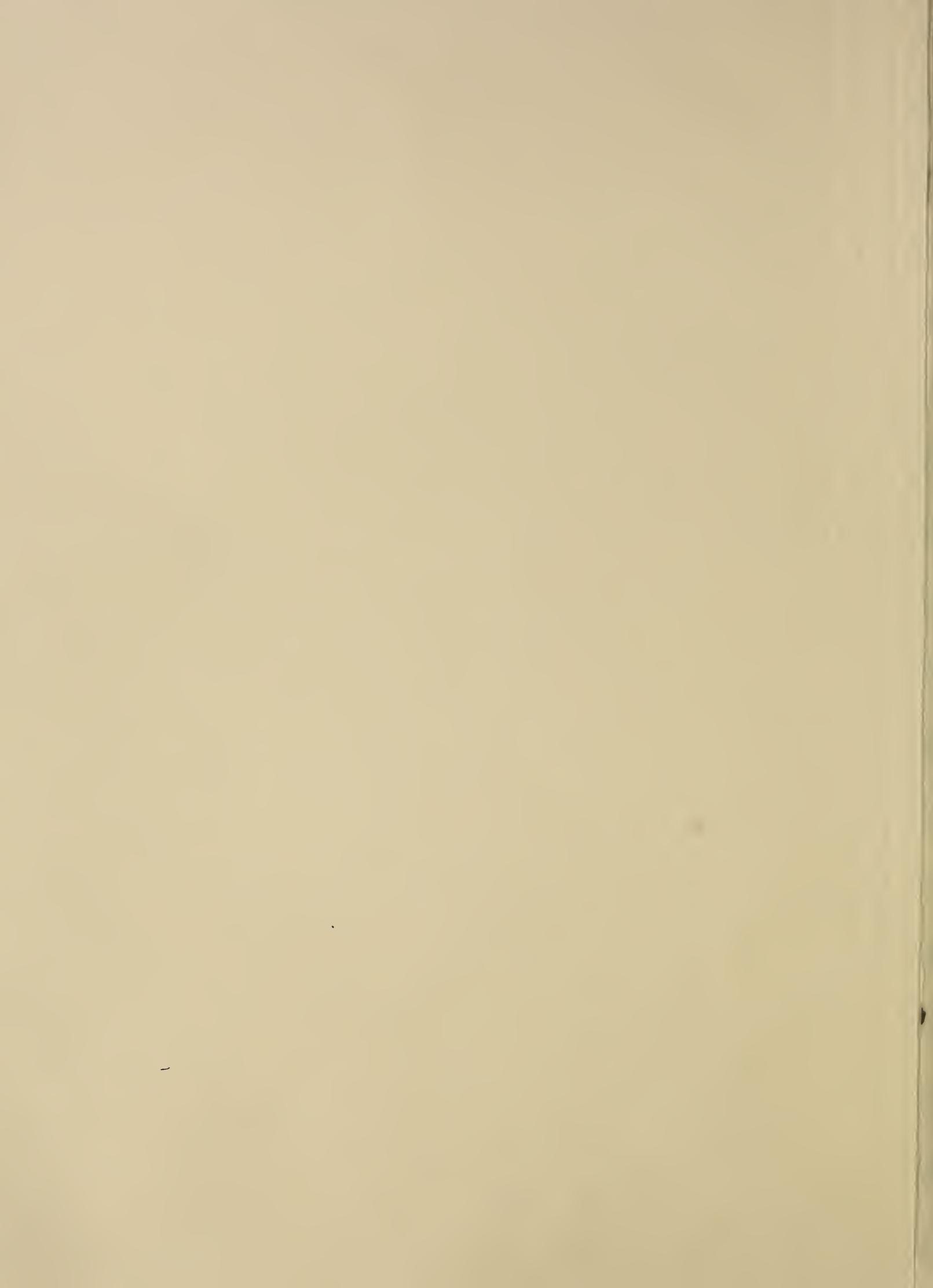


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A PROGRAM
FOR

Manpower Control
and
Utilization in USDA

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DEPARTMENT OF AGRICULTURE
Washington 25, D. C.

January 24, 1963

Hon. Kermit Gordon
Director, Bureau of the Budget
Washington 25, D. C.

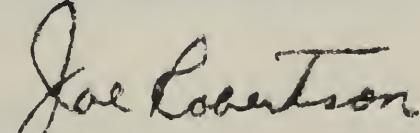
Dear Mr. Gordon:

In response to Bureau of the Budget Circular No. A-44, Revised, dated October 31, 1962, there is transmitted herewith the program for manpower control and utilization for the Department of Agriculture.

While work in this field is not new to this Department, we are taking renewed action to intensify our efforts to find ways in which to further improve the general productivity and utilization of our personnel. This will include analysis and appraisal of the work performed, including the development of necessary controls, to assure that the programs and activities for which we have responsibility are carried out efficiently and economically with an absolute minimum of personnel.

This booklet includes the instructions issued to date, a general description of the Department's program, and statements of the plans and programs of the individual operating agencies. Further instructions and procedures are being devised and will be issued soon within the Department to assure effective manpower control and maximum utilization of personnel.

Sincerely yours,


Joseph M. Robertson
Administrative Assistant Secretary

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January 1963

A PROGRAM FOR MANPOWER CONTROL AND UTILIZATION IN USDA

THE DEPARTMENT-WIDE APPROACH

Manpower control and utilization is one of the most important administrative aspects of program operations in the Department of Agriculture. This is true because personal services represent such a significant portion of the costs of carrying out the program responsibilities which have been assigned the Department by the Congress. To the extent, therefore, that any increased manpower needs can be offset by increased employee productivity and better utilization of manpower, costs can be held to the minimum.

This facet of management improvement is given continuous personal attention by responsible officers at all levels of administration in the Department. This is traditional. But increased special emphasis has been given to it in the past year and a number of specific goals have been set for larger results in this area.

To benefit from the full potential of new technologies and individual capabilities and productivity, it is essential to identify meaningful workload data--valid goals and standards for measurement--and to use them in the calculation of program costs. An important element in this effort is an understanding and appreciation of the program objectives at all levels of organization. The Department program, therefore will be most successful with direct participation by all employees. This is a key part of the program.

Assignment of Responsibility

The Department program for manpower control and utilization is built around the concept of agency and line responsibility for assuring the maximum use of the time and skills of employees for achievement of program objectives. At the Department level, general responsibility for planning and directing effective action is assigned to the Administrative Assistant Secretary. The following Department Staff Offices assist him and serve as the focal point and coordinating mechanism for developing and carrying out directly, or through the program agencies, management improvements related to their respective functional responsibilities:

Office of Budget and Finance
Office of Management Appraisal and Systems Development
Office of Personnel
Office of Plant and Operations

The Directors of these offices, together with the Administrative Secretary, constitute a standing committee, with central staff services provided by the Office of Budget and Finance. The committee will meet periodically to review the Department's program for strengthening manpower utilization and control. This includes the selection of specific areas for

independent or joint follow-up reviews by teams of staff office members-- and agency representatives as appropriate--to determine and evaluate progress at the agency level in effecting improvement programs.

Relation to Budget

An effective and practical means for controlling employment is through the budget process. Manpower requirements, utilization, and control are an integral part of the Department and agency budget-development program.

The Department's Budget Committee and the Secretary, during the reviews of budget estimates, consider carefully the level and trend of employment in each agency. Program and budget examiners familiar with program progress and trends review and analyze manpower requirements as a part of their continuing assignments, and evaluate such requirements in relation to known program status. Budgetary considerations include the following:

1. Reviews and evaluations of requests for manpower included in budget estimates and other forms of documents from the agencies. This is not limited to increases, but includes as well an analysis of the continued need for the present manpower.
2. Development of criteria and guidelines for relating workload indices to short- and long-range manpower requirements.
3. Examination of new program proposals (including expansion or redirection of current programs) from the standpoint of whether Federal employment is essential or whether the work might be done more economically and as effectively by contract or cooperative arrangement.
4. Analyses of manpower requests for administrative support activities with a view to maximum efficiency in this area, with only essential services to agency programs.
5. Consideration in appropriate cases of the possible uses of automatic data processing techniques and computer applications where savings or more productive use of manpower might be realized.
6. Evaluation in realistic terms of organization and management effectiveness in carrying out agency programs with particular reference to manpower utilization and productivity.

Internal Audit and Inspection

The Secretary recently established an Office of the Inspector General and transferred to it the internal audit staffs of all agencies. This provides the Secretary with a staff facility reporting directly to him.

Internal audits, in addition to review of program and administrative activities from the standpoint of compliance with legal, policy and

administrative regulations, contribute significantly to the identification of areas to which special attention should be directed to improve manpower utilization.

Relation to Personnel Administration

There are few incentives greater than the knowledge and satisfaction of doing a job well. Major aims of personnel administration in the Department are to provide:

1. An effective type of organization;
2. Competent administration and supervision;
3. Soundly conceived standards and controls and selection and placement procedures;
4. Opportunity for the training and development needed to fully use one's capacities; and
5. Recognition of unusual performance beyond the strict requirements of the job.

Personnel Research. For the first time in the history of the Department, personnel research is being done to assist those responsible with accomplishing these aims. Among the projects with which personnel research is to be concerned are:

1. The development of a career plan for the Department;
2. The establishment of a performance evaluation system; and
3. The development of valid tests to measure the capacity of individual employees in special areas.

Improved Communications. The great variation in the Department's programs and functions makes communication difficult between agencies; between agencies, the Secretary's Office, and the Department staff offices; and between management and employees. Among the steps to be taken to improve communications are:

1. Well planned conferences, meetings, interviews, and other means of person-to-person contact between the staff offices and the agencies; and
2. Improved communications with employees through such issuances as "Tips to Supervisors," "USDA" (the house organ for employees), and appearances before USDA Clubs and other employee groups; and
3. Staff meetings held by the Administrative Assistant Secretary, the interchange of ideas in task forces and work groups, and personal contacts.

As a result, it is expected that policies, procedures, and standards will be better understood and accepted. This will contribute to the effectiveness of the manpower control and utilization program.

Development of Policies and Programs. Improved policies and programs will be developed for effective control and better use of manpower. Personnel policies will be reviewed intensively during the fiscal year 1964 with agency heads and other major operating officials.

The Department will continue to use task forces, committees, and other means of arriving at the best control and use of manpower.

Coordination and Control. The Personnel Policy Review Meeting of 1961 recommended that there be established a coordinated system of surveys and inspections for use in the Department's personnel program. A task force has since developed a chapter in the Department's Administrative Regulations which provides for the agencies to develop adequate personnel management evaluation methods. Many personnel programs are designed to produce more effective manpower utilization. Among these are classification, performance evaluation, staffing, training, placement follow-up, and terminal interviews. The evaluation program seeks to improve the methods and techniques used in these areas as well as to assure compliance with standards already set.

Projected work plans have been developed and put into use by the Office of Personnel. It is a Departmental aim to develop a coordinated system of project planning. One of the projected work plans is for developing an effective scheme for manpower control and utilization as related to personnel management.

Department-wide Management Improvement Efforts

Management Improvement Project System. A Department-wide Management System was initiated in November 1962. This system seeks to document the major management improvement efforts in the Department and provides for reporting significant information on these projects.

Information from this system will be used: (1) To plan, direct, and measure progress on management improvement efforts in the Department; (2) to facilitate coordination of management improvement efforts; (3) to provide a single system for reporting management improvement information; and (4) to provide information on use of principles and techniques for possible additional application elsewhere in the Department. Each of the agencies in the Department has initiated an internal management improvement project system.

Self-Survey of Department Operations. Special self-survey task forces have been widely used and will continue to be used for management improvement and manpower utilization studies. This system enables widest possible utilization of personnel in the conduct of appraisals. Line personnel who know the program are normally supplemented by appropriate technical or specialized personnel drawn from the various agencies in the Department. This system makes full utilization of personnel and precludes the need for large specialized staff groups in each agency. It is particularly beneficial to the smaller agencies.

Automatic Data Processing. Automatic data processing equipment is being used extensively in the Department and its use is expected to increase in the future. A central control is maintained over procurement or rental of ADP equipment and over contracting for ADP services to assure maximum benefits and lowest costs. The Department has three computer centers serving the several agencies. This provides large computers at low costs. Additional computer applications are being studied.

Related areas of emphasis will be source data automation, data transmission, and information storage and retrieval. Studies on each area are planned or underway in the Department.

MODE Program. The Department has initiated a large-scale program called the MODE program. This program will have major immediate and long-range impact on administration in the Department. Under the program automatic data processing will be used to consolidate all Department payroll and certain personnel and financial data. Information will be maintained and reports will be prepared for use by management. The first program--payroll automation--will be implemented soon with the whole program being effected over a period of several years.

Effectiveness Indices. Several agencies have major programs for measuring, planning, and evaluating productivity and work effort. Emphasis will be placed on refining these efforts and adding new appropriate areas for measurement. Long range plans are to tie effectiveness indices into the Departmental MODE program.

Consolidated Offices and Common Services. One important project now underway provides for consolidating agency field offices which serve the same geographical areas. This was initiated by Secretary's Memorandum No. 1492, dated February 2, 1962. Included is the physical consolidation of offices as well as the coordination and consolidation wherever practicable of administrative functions common to all agencies. This program was instituted to insure maximum service and convenience to the public, to facilitate coordination and interagency understanding of interrelated Department program, and to promote efficiencies and economies in the handling of administrative functions common to all agencies. Administrative committees have been established in each State to implement this program. Through these committees, continuing emphasis is being given to the development of common services to eliminate duplication of effort.

Legislation

Legislative authority is needed to remove restrictions which hinder the most effective utilization of manpower and resources:

1. Authority is needed to detail agricultural attaches and related overseas personnel of the Foreign Agricultural Service from field posts to Washington without reduction in grade. Legislation has been developed which would accomplish this objective.
2. Authority is needed to achieve a simplified appropriation structure for the Agricultural Stabilization and Conservation Service. This

would reduce some requirements for manpower now needed to maintain complicated records and controls over financial operations. The 1963 appropriation included some improvements of this kind. The 1964 budget proposes further steps toward this end.

Basic documents in the Manpower Control and Utilization Program follow this section. Then the programs and plans of the operating agencies of the Department are set forth to complete this report.

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON 25, D. C.

January 2, 1962

SECRETARY'S MEMORANDUM NO. 1482

Manpower Utilization

President Kennedy has called for a major effort to achieve increased productivity and efficiency. This effort requires better techniques of organization, management, and production.

Each program must be organized properly and its work scientifically planned. Each activity must be staffed with no more than the minimum number of employees needed to carry out its objectives. Each employee must have skills which fit the requirements of his job. Space and facilities must be conducive to productivity and good morale.

All levels of supervision, as well as all individual employees, must be drawn into participation in this effort to most effectively utilize our manpower. Their suggestions and cooperation should be solicited and welcomed.

The supervisor manages the work of people under his supervision. He has an inherent and important responsibility for seeing that all human resources available to him are appropriately utilized in order to achieve program objectives most efficiently. The supervisor also has a responsibility for requesting assistance, as necessary, from appropriate staff offices which have specialized responsibilities for manpower utilization.

The employee performs work. He has a responsibility not only to perform efficiently but also to bring to the attention of his supervisor what he believes to be inefficient utilization of his skills and abilities or inefficient office practices.

Planning and control of manpower utilization efforts within the Department require a knowledge of the placement of responsibilities for specific aspects of this important function, and these responsibilities are outlined in this memorandum.

The Administrative Assistant Secretary is responsible for stimulating, coordinating, and reporting upon effective manpower utilization programs within the Department.

The Office of Budget and Finance is responsible for providing leadership in connection with budgetary reviews, and for conducting budget and fiscal examinations, to assure that insofar as practicable staffing of activities is kept to the minimum necessary to accomplish the job. This Office, in cooperation with the agencies, is also responsible for seeing that examples of inefficient or improper utilization of manpower which are disclosed in internal audit reports are promptly reported to management so that corrective action can be taken.

The Office of Personnel is responsible for providing leadership to see that the organizational distribution of responsibilities and lines of reporting are compatible with effective use of manpower; that the kinds of skills recruited to carry out the work in Agriculture are related to the job requirements; that these kinds of skills are effectively utilized by supervisory personnel at levels commensurate with pay; and that the potential capabilities of employees are fully developed through training and related programs from the standpoint of contributing most effectively to program implementation.

The Office of Plant and Operations is responsible for providing leadership to assure the most effective practicable space and facilities in order that the workforce may function most effectively in carrying out individual assignments.

The Office of Management Appraisal and Systems Development provides leadership to assure that the most efficient systems and methods practicable are developed throughout the Department from the standpoint of economic and efficient utilization of manpower. Through direction and coordination of general management surveys, the Office will provide identification and analysis of problems relating to manpower utilization.

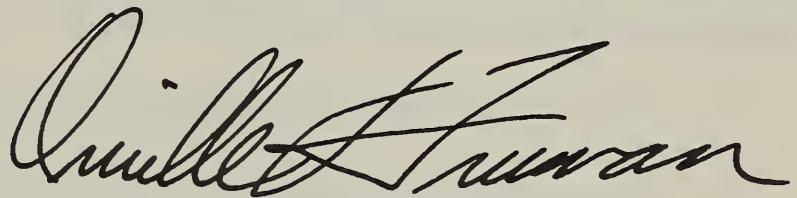
The various agencies of the Department are responsible for specifying, within their official organization charts, areas of accountability for all aspects of effective manpower utilization and for vigorously implementing programs to assure such utilization.

The Civil Service Commission conducts an intensive program of inspecting offices throughout government in order to determine the extent to which effective manpower utilization techniques exist. The Commission inspectors are presently developing answers to the following types of questions:

1. What policies and instructions has the establishment received from higher authority to guide local action with respect to better manpower utilization?

2. How does the establishment determine its specific manpower requirements and avoid overstaffing or understaffing?
3. What methods has it established to review utilization of its workforce?
4. What efforts has it made to review areas of personnel management susceptible to local control - employee turnover, use of overtime, absenteeism, lost time from accidents, and so on?
5. What significant achievements in conserving manpower within the past two years can be cited?
6. What changes have occurred in the activity's staffing pattern within the past two years?
7. What is the activity doing to insure sound personnel management through the careful selection and appropriate training of persons engaged in the personnel management program?

I am requesting as a minimum, that each agency in the Department take positive steps to implement programs implied as significant by the above questions.

A handwritten signature in black ink, appearing to read "Quillen F. Furrer". The signature is fluid and cursive, with a large, stylized 'Q' at the beginning.

Secretary

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON 25, D. C.

March 20, 1962

SECRETARY'S MEMORANDUM NO. 1482, SUPPLEMENT 1

Manpower Utilization

In order to achieve desirable accomplishments in a program of improved manpower utilization, we expect agency heads to keep employment levels to a minimum consistent with meeting program objectives. The supervisor at each level in any organization is the key to successful operation of the program. Responsibility for action and accountability for results are inherent in his assignment. Agency heads should determine that aids and assistance are supplied to all levels so that supervisors can take command and manage their operation.

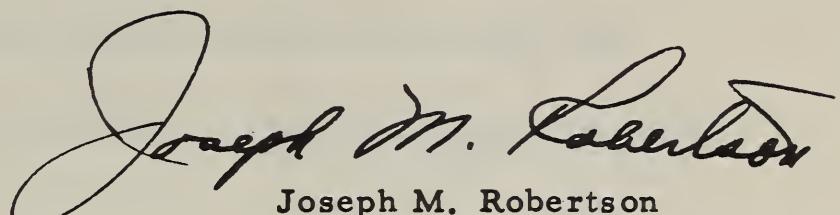
For supervisors to properly carry out this key role in manpower utilization they must among other things:

1. Be familiar with the assignments to their unit;
2. Have a plan for reaching the goals and objectives of their assignments;
3. Be familiar with the kinds and numbers of people needed to do the job;
4. Be able to stimulate their staff to high morale and create an effective work force;
5. Be alert to adjust promptly to program changes and budget adjustments;
6. Continuously seek new and improved methods or operation and not perpetuate the status quo;
7. Challenge the need for staff at each opportunity brought about by attrition or other adjustments.

Supervisors who function properly in these areas of administration will create a built-in system of management controls which should

result in more effective control on employment of personnel and other types of expenditure.

Secretary's Memorandum No. 1418, dated July 31, 1957 and No. 1418, Supplement 1, are hereby superseded.



Joseph M. Robertson
Administrative Assistant Secretary

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON 25, D. C.

December 10, 1962

SECRETARY'S MEMORANDUM NO. 1522

Improving Manpower Controls and Utilization

As indicated in my memorandum to heads of agencies dated October 26, 1962, the President has directed that steps be taken to limit the number of Federal employees to the absolute minimum necessary to carry on the public business. Budget Bureau Circular A-44, Revised, copies of which will be sent you, provides the policies and procedures for improving manpower controls and utilization.

The Department is required to make a report to the Bureau by January 7, 1963, describing in detail the steps it is taking to carry out the objectives of the program, including a statement of the specific measures adopted pursuant to Section 1007c of the Postal Service and Federal Employees Salary Act of 1962, which reads in part as follows:

". . . heads of the executive branch activities . . . are directed to review with meticulous care each vacancy resulting from voluntary resignation, retirement, or death and to determine whether the duties of the position can be reassigned to other employees or whether the position can be abolished without seriously affecting the execution of essential functions."

The heads of Department agencies are requested to give their personal attention to this effort to increase the efficiency and effectiveness of program activities and the productivity of employees. The minimum actions which should be taken immediately include:

1. Organize aggressive reviews of specific areas of work to develop new ways for reducing manpower requirements.
2. Establish a mechanism for making positive determinations with respect to every vacant position, whether it must be filled or effective alternate ways can be adopted to do the essential work with a reduction in employment.

3. Undertake manpower utilization surveys to assure that employees are assigned to work that will use their particular skills and capabilities to best advantage.

4. Develop a systematic program for periodic reviews and test checks to verify and strengthen agency programs for manpower analysis and control.

The Directors of the Offices of Budget and Finance, Management Appraisal and Systems Development, and Personnel have been requested to work with other staff offices and agencies to provide leadership and direction to this effort. They will cooperate in the development of the report to the Bureau of the Budget, indicating the specific plans for accomplishing the President's objectives in this Department. Detailed instructions will be issued by the Office of Budget and Finance.

This program to eliminate nonessential activities and positions and to increase productivity is of such importance that I am requesting that each agency head give it priority attention. This calls for a new and imaginative outlook to develop, present, and carry out effective plans. We must be in a better position to present and justify needed personnel and funds by demonstrating factual accomplishments in improved management and effective manpower controls and utilization.

A handwritten signature in black ink, appearing to read "Quillen T. Cannon". The signature is fluid and cursive, with a large, stylized 'Q' at the beginning.

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
Washington 25, D. C.

Office of Budget and Finance

December 10, 1962

BUDGET AND FINANCE MEMORANDUM NO. 559

Improving Manpower Controls and Utilization

1. PURPOSE. This memorandum is to provide detailed instructions for carrying out Secretary's Memorandum No. 1522 relating to specific actions to improve manpower controls and utilization within the Department of Agriculture. Additional information is set forth in the attached Budget Bureau Circular No. A-44, Revised.
2. AGENCY PROGRAMS FOR MANPOWER CONTROL AND UTILIZATION. Each agency is requested to submit to the Office of Budget and Finance not later than December 26, 1962, five copies of a report indicating in specific terms the actions being taken to assure that an effective continuing effort to increase productivity and to control manpower is being conducted. The report should state:

- (1) Plan or outline of the agency program,
- (2) Specific areas where emphasis will be placed in the next few months,
- (3) Schedule for action on primary areas of improvement,
- (4) Nature and adequacy of staff assigned to the program, and
- (5) The anticipated results and benefits.

Emphasis should be placed on continuing program efforts. Major improvement projects directed toward strengthening the management improvement program should be included as examples. The inclusion of such items in this report does not substitute for the required submission of such projects to the Office of Management Appraisal and Systems Development under the Management Improvement Project System.

The agency reports should identify existing legislative or administrative restrictions which adversely affect the agency's ability to carry out the policies and objectives set forth in Budget Bureau Circular No. A-44 and this memorandum, together with specific recommendations to alleviate or remove such restrictions.

3. REPORT OF EMPLOYMENT. Agencies are requested to submit to this Office their estimated employment as of the end of each month beginning January 31, 1963 through June 30, 1963. Their estimates of (a) full-time permanent employees and (b) all other employees. These projects shall be reported on the same basis as used for preparation of SF-113 reports.

4. ADDITIONAL INFORMATION OR INQUIRIES. Questions regarding this memorandum should be referred to Mr. John L. Wells, Assistant Director, extension 4580.

Attachment

Charles F. Fawcett
Director of Finance

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
Washington 25, D. C.

October 31, 1962

CIRCULAR NO. A-44
Revised

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Improving manpower controls and utilization in the executive branch

1. Purpose and coverage. In accordance with the President's instructions to limit the number of Federal employees to the absolute minimum necessary to get the public business done, this Circular provides policies and procedures for:

- a. Improving the general productivity and efficiency of Government operations,
- b. Continuing review and control of manpower utilization, and
- c. Making forward projections of manpower requirements.

This Circular does not apply to uniformed military services of the Department of Defense or the Coast Guard.

This revision of Circular No. A-44 replaces the following Circulars: No. A-44 of June 13, 1951, No. A-8 of June 29, 1951, and No. A-24 of October 1, 1958.

2. General policies. The President has stressed that responsibility for manpower control and utilization rests with the head of each agency. Each department and agency will be expected to undertake vigorous and continued efforts to eliminate non-essential activities and positions, and to increase productivity by improved manpower control and utilization and strengthened supervision.

The need for economy and conservation of scarce manpower skills requires that the executive branch apply strict tests of essentiality in determining manpower requirements in each of its activities. The heads of departments and agencies and their subordinates must make every effort to meet new workload requirements through adjustments in existing activities and procedures, in lieu of adding new employees. Increases in staffing will be approved only where it is clear that essential functions cannot be performed effectively with existing employees.

(No. A-44)

The same forces that are bringing about increased productivity in the private sector of the economy are applicable to the Government. It will be assumed that the opportunities to increase productivity in Government are realized at least to the extent they are in the private sector of the economy.

3. Agency programs for manpower control and utilization. Each agency head is responsible for taking necessary action to assure that his agency has an effective continuing program to increase productivity and control manpower. A statement describing in detail each agency's program, tailored to its own particular needs, will be submitted to the Bureau of the Budget for review by January 7, 1963. The statement should identify existing legislative or administrative restrictions which adversely affect the agency's ability to carry out the policies and objectives set forth in this Circular, together with specific recommendations to alleviate or remove the adverse effects of such restrictions. In addition, the statement will include a description of the specific measures adopted to carry out the intent of Section 1007c of the Postal Service and Federal Employees Salary Act of 1962.

The basic elements of an effective manpower control program, together with the possible tools to use in carrying them out, are these:

- a. Analysis and appraisal of the work to be performed to assure that it is essential and will contribute to the accomplishment of agency objectives, and that appropriate targets and priorities are set.
- b. Determination of manpower requirements, using principally the budget process but also such tools as work measurement, work standards, productivity analysis, and manpower and workload reporting.
- c. Manpower control systems, using such techniques as manpower allocation, tables of organization, reporting systems, special studies, periodic program reviews, and controls on filling of vacancies.
- d. Specific efforts to increase productivity through improvements in organization, work design, work methods including simpler systems and mechanization, mathematical programming, supervision, and personnel management including skills inventories, employee consultation, training, and incentive and motivation programs.
- e. Selective test checks to ascertain whether the manpower control program is achieving the desired results.

It is important that staff competent in the areas listed above be available to line officials to assist in carrying on planned management improvement efforts. The staff, in being or planned, for carrying out an agency's manpower control should be described in the statement submitted to the Bureau of the Budget.

(No. A-44)

The staff of the Bureau of the Budget is available to advise agencies in their manpower control programs, and to serve as a clearing house for exchanging information on successful measures to improve management and to effect manpower savings. To meet unusual problems where the agency does not have the expertise nor the financial resources to undertake special management studies, assistance may be provided from the Appropriation to the President for Expenses of Management Improvement.

Federal Executive Boards, established at the direction of the President in major centers of Federal activity outside of the Washington area, will give specific attention to exchange of information and cooperative efforts with respect to manpower utilization and management improvement in field offices.

4. Relation to the review of budget estimates. In reviewing budget requirements at all levels, detailed analyses will be made of the number of persons required for both present and proposed activities. The budget process is an effective instrument for preventing overstaffing as well as in identifying work priorities, operating problems, and in appraising efficiency and productivity. In reviewing budget estimates, therefore, each responsible agency official and the Bureau of the Budget will adhere to the following policies:

- a. Existing personnel will be utilized to the maximum extent in staffing new programs and expansions in existing programs.
- b. Staffing requirements will be planned and executed on the assumption that improvements in skills, organization, procedures, use of equipment and supervision will increase productivity continuously and at the same time maintain adequate quality.
- c. Estimates of staffing requirements for on-going as well as new programs will be fully justified, so far as practicable, by an analysis of the relationship between the personnel required and the workload to be performed. In the absence of a workload correlation, the estimates will show the analytical method used in estimating personnel requirements.
- d. Contracts with non-Government firms, institutions, or persons will be made on the basis of relative efficiency and effectiveness in accomplishing the desired work, and will not be used as a device to reduce or hold down Government employment when direct Government performance is more effective or appropriate.

Each agency's annual budget submission will include a brief factual statement describing the actions taken and results achieved by the agency manpower control and utilization program outlined in this Circular; it should include a statement of reductions in manpower requirements achieved during the year, with specific monetary savings indicated, and the uses to which such savings were put.

(No. A-44)

In presenting budget estimates to the President, the Bureau of the Budget will set forth the employment levels on which the estimates are based. Detailed justification requirements are set forth in Circular No. A-11, for annual budget estimates, and in Circular No. A-41, with respect to supplemental estimates.

5. Estimates of future personnel requirements. Increased attention will be given in connection with annual budget reviews to estimated personnel requirements projected for future years. These estimates are important not only for purposes of the Bureau of the Budget but also for estimating recruitment requirements by the Civil Service Commission and work space requirements by the General Services Administration. Instructions for developing projections of future personnel requirements for annual budget reviews are included in Budget Circular No. A-11, and those for projections required under Public Law 801, 84th Congress, are set forth in Budget Circular No. A-19.

6. Search for better methods. Increased attention will be given by the departments and agencies, under the leadership of the Bureau of the Budget, to searching out and applying the most modern and effective means used either by Government or private enterprise to increase efficiency and output. The research should include studies in such areas as motivation, organization of work, production methods, and methods of managerial control and leadership. The Bureau will make available throughout the Government the important findings and conclusions of important management research conducted within the Government.

7. Manpower inspections and reviews. The Bureau of the Budget, the Civil Service Commission, and the departments and agencies will undertake a systematic program of manpower inspections and reviews. The priority and scheduling of these inspections will be worked out under the leadership of the Bureau of the Budget, and will be carried out by staff of the Bureau, the Commission, and the agency concerned. The special inquiries into manpower utilization practices currently made by the Civil Service Commission will become a part of this new program. The inspections will be made on a selective basis which will give priority attention to areas where the most significant problems and potential savings exist. While every agency cannot be reviewed each year, it may be desirable to review certain agencies annually or more frequently. The inspections will be designed to test the effectiveness of agency systems for manpower analysis and control, and to assist the departments and agencies in discovering opportunities for better use of manpower resources that are available. The results of these reviews will be reported to the head of each agency promptly, for immediate attention and such action as is necessary. The Bureau of the Budget will keep the President informed of any significant findings and of potentialities for increasing productivity.

By direction of the President:

DAVID E. BELL
Director

(No. A-44)

AGRICULTURAL MARKETING SERVICE

The Manpower Control and Utilization Program of the Agricultural Marketing Service is designed to attain more effectiveness in program operations, improve manpower utilization, increase worker productivity, and otherwise attain increased efficiencies and economies in accomplishing the end job of AMS of facilitating the orderly marketing and efficient distribution of agricultural commodities.

The program is built around the concept that maximum use of time, skills and abilities of employees for effective achievement of program objectives is a line responsibility.

Plan and Aims

Within this concept the program is aimed at obtaining optimum use of human resources through: (1) periodic examination of aims; (2) continuous reviews and special reviews of methods; (3) adequate systematic programming of work; (4) systematic training and placement of personnel; and (5) effective operational reporting which permits repeating the cycle frequently enough and thoroughly enough to keep AMS fully responsive to the changes in the market structure and to changing needs.

Work Programming and Operations Reporting. The work programming and operations reporting concept is aimed at attainment of predetermined program objectives through systematic planning and scheduling of available or anticipated resources. The responsibility is on each level of management to evaluate work progress and identify areas where efficiencies and economies can be effected. Operations reporting is required on predetermined time schedules to assure that all appropriate line and staff officials are informed currently on work progress.

Management Reviews and Internal Audit. Heavy reliance is placed on management reviews and internal audits to identify areas where special attention should be directed to manpower utilization and personnel requirements. On the basis of these reviews and audits, comprehensive studies are initiated to delineate problem areas in more detail and develop recommendations leading toward improved manpower efficiencies and economies. These continuous reviews and special studies are concerned particularly with adequacy of field structure, delegations, staffing patterns, supervision, reporting, controls, and other resources such as funds, materials, and space.

Employee Development. The employee development activities of AMS are an important element in the manpower utilization program. Employee development encompasses all phases of training to increase the effectiveness and efficiency of the individual employee on his present job and to prepare him for increasingly important assignments.

Improved Work Methods and Management Improvement Projects. Continuing emphasis is directed at improving work methods throughout the agency. This phase of the overall agency manpower utilization program is aimed specifically at: (1) identifying areas of work which afford possibilities of automation, with particular emphasis on source data automation; (2) keeping abreast of new innovations and ideas in the management field, disseminating such information to all management levels, and applying it where appropriate; and (3) maintaining an aggressive management improvement project system.

Vacancy Control and Estimating Personnel Requirements. Division directors have been assigned the overall responsibility for determining staffing requirements and for keeping employment at the lowest level compatible with assigned program objectives. This responsibility requires continuing appraisal of manpower needs and controls necessary to attain the most efficient utilization of employees to insure that program functions are successfully conducted. Periodically, each division director is required to appraise the operating system followed in his division and report the findings to the administrator's office. Manpower needs and controls are also subjected to periodic staff review.

Internal systems of control for many programs provide data on the use of manpower in relation to workload. These data provide the basis for job engineering studies designed to measure output per man and to help in the establishment of objective guides and standards for estimating personnel requirements.

Budget Development and Control Procedures. Manpower requirements, utilization and controls are an integral part of the agency budget development and funding program. Specific procedures in these areas are as follows:

1. To provide a firm basis for annual budget estimates, each division in AMS is required to make a searching examination of each of its programs to determine the current need for, and appropriateness of, the work as an agricultural marketing activity; the appropriateness of financing it from Federal revenues; the necessary level of activity and the minimum personnel requirements and costs. The conclusions are reviewed by budget analysts. Also, as appropriate, review panels, composed of management staff officials and representatives of the administrator's office, conduct oral hearings to probe deeper into the conclusions and personnel and cost estimates and to assure that each organizational unit has fully analyzed its operations.
2. After enactment of the annual appropriation act, fund and manpower estimates for each division are revised as appropriate and again reviewed to ascertain that the requirements are appropriate in the light of Congressional action.
3. Reviews of funds and personnel are held periodically during the year to ascertain the status of programs, funds, and personnel in relation to budgeted activities. Monthly reports from each division on man-months worked and dollars obligated for each program are analyzed in relation to operating budget plans, workload, and other factors.

Specific Areas of Emphasis

Work Programming and Operations Reporting. An improved "Work Programming and Operations Reporting System" is being developed to more effectively measure progress in attaining program objectives. The improved system will provide for:

1. A current statement of the program or activity and its objectives.
2. The major jobs to be accomplished, necessary delegations to carry out the work, scope or volume of work to be done, time table for accomplishment, and required available resources of manpower, materials, funds and management.
3. Adequate guidelines and supervision.
4. Measurement and evaluation of quantity and quality of accomplishment.
5. Systematic reporting, planning, and rescheduling of work objectives and resources.

Management Reviews. A comprehensive management review is currently being conducted in one program activity to determine whether changes in the present staffing pattern and organizational structure will achieve more effective manpower utilization. It is planned to review at least two other major program activities during the next few months to determine whether a realignment in the organizational structure or change in staffing pattern will provide savings in manpower and reduction of workload and travel costs.

Employee Development. The employee development program is a continuing high priority activity in AMS. Systematic training and placement of personnel will include technical, supervisory and executive development at all levels and for all work. The purpose is to maximize the contributions of every employee toward the attainment of agency objectives and optimum use of employees' abilities.

Improved Work Methods and Management Improvement Projects. Management improvement projects will continue to be emphasized as a productive tool in strengthening the management improvement program throughout the agency. Increased work will be directed to exploring those areas of data which afford the best possibilities for automation. Some attention has already been given to source data automation in AMS. More emphasis will be devoted in the next several months to possibilities of completing documents at points where data originates in a form which will provide for direct machine entry.

Vacancy Control and Estimating Personnel Requirements. There will be a continuing appraisal of manpower needed to carry out agency program objectives. Work measurement systems will be improved and up-dated where appropriate.

Budget Development and Control Procedures. This is a continuing program geared to the budget cycle.

Nature and Adequacy of Staff Assigned to Program

Under the direction of the deputy administrator for management, administrative management in AMS is conducted primarily through three Washington management divisions--Budget and Finance, Personnel, and Administrative Services--and three area administrative divisions in Washington, D.C.; Chicago, Ill.; and Berkeley, Calif.

The staff has provided continuing leadership in carrying out the management improvement programs of AMS, usually through task groups. Through this approach, members get valuable training and are better able to serve line operations. Thus, management development training is built into the system.

Anticipated Results and Benefits

AMS is taking a strong and positive approach to achieving increased efficiency through more effective use of manpower. The agency recognizes the need of making a continuing appraisal of work effort to assure that individual and collective manpower capabilities are being utilized to the maximum extent. To this end the programs being undertaken will be a step forward in achieving greater efficiency and more effective use of manpower.

The Agricultural Research Service has had an active developmental program in operation for several years, with the objective of insuring: (1) that all work programs are effectively and economically conducted by properly qualified personnel; (2) that there is neither unnecessary employment nor under-utilization of skills; and (3) that the personnel are numerically adequate to the task.

Efforts have been marked by considerable success. To mention one example, the Meat Inspection Division has had to cope with a steadily increasing workload, without corresponding appropriation increases. Therefore, it has been imperative to effect the best possible measures in packing house arrangements, inspection techniques, and use of personnel. This has resulted in handling, over the past twelve years, an increase of workload of 22 percent to 452 percent in various phases of activity, with an increase in employees of only 18 percent. Some of the other more notable accomplishments which have resulted are: (1) a plan for the evaluation of research scientists; (2) a modern program for the development of supervisory and managerial personnel; and (3) the automation of payroll activities for ARS employees in the Washington-Beltsville area.

Pending the complete formalization of this program within the agency, the specific studies to be pursued during the remainder of fiscal year 1963 are principally those presently assigned to the developmental staffs and included in the formal management improvement project system. Overall direction of these activities is provided by the deputy administrator for administrative management. Success in securing additional assistance will largely determine how soon ARS will be able to undertake such specialized tasks as manpower utilization surveys and manpower requirements studies.

There are several areas in which studies are underway that will be receiving continued emphasis during the next several months. Some of the most significant areas and studies are as follows:

1. ARS has been contributing heavily to the Department's MODE program. Since the time schedules for conversion of personnel data and automation of payroll operations have been set, ARS expects to be actively engaged in these activities for some months yet. The agency is one of three selected to conduct pilot studies for subsequent implementation of one phase of MODE. Work on this project is scheduled to get underway in January.
2. A project is being initiated with one of the regulatory divisions to explore ways of adapting to a computer system the task of accumulating, maintaining, and compiling voluminous records and reports essential to program operations.
3. A study is being inaugurated of administrative services functions in the four field administrative divisions with the purpose of standardizing methods and procedures for accomplishing identical functions.

4. Another study currently receiving much attention concerns the assignment of administrative assistants to field stations to service professional personnel representing two or more research divisions. The purpose is to relieve professional research personnel, primarily field station heads, of administrative management functions and thereby permit more time to be devoted to research.
5. The Personnel Division is nearing completion of a project involving the development of classification standards which recognize more responsible duties which can feasibly be assigned to subprofessional personnel. The returns from this project, in terms of utilizing the highest skills of subprofessional personnel and permitting more time for professional personnel to devote to professional work, are expected to be substantial.
6. The supervisory development program includes orientation and training in manpower utilization. Two new training programs are in the final stages of development and will soon be in operation. The first, a Supervisory Responsibilities Course, is essentially completed and will be started in January. The second new course, the Program Manager's Conference, is designed to provide training to those program officials occupying positions which involve management of a substantial segment of a division's technical programs and which call for both short- and long-range planning in the allocation of resources. This program is to be implemented during the first six months of calendar year 1963.

Formal review programs have been developed for all administrative management divisions in ARS. These provide for an annual self-evaluation, a review of field administrative division operations, and reviews of selected field stations.

The ARS classification audit program has been an especially effective device for bringing about improvements in organizing work assignments for economy of operations and utilization of employees' highest skills. Similarly, the placement follow-up program determines the effectiveness of initial and internal placements, i.e., whether the employee possesses the necessary skills to perform the work or whether the skills he possesses are beyond the requirements of the position.

ARS expects that significant benefits will be realized through the combined efforts discussed above. Specifically, it anticipates receiving more complete and timely information on which to base management decisions through the expanded use of automated processes. It expects to find additional ways of relieving scientists of administrative and similar tasks.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

A policy staff and a Policy and Program Appraisal Division have been established directly under the administrator to develop policy recommendations, to appraise programs, to coordinate with other agencies in developing basic budgetary assumptions (such as forecasts of supply and utilization of commodities under price support, production adjustment, and export programs), and to establish broad program targets and priorities.

Determination of Manpower Requirements

The plans, targets, and priorities resulting from analysis and appraisal are translated into requirements for manpower and funds, in the form of a budget. The methods used are tailored to fit the characteristics of each different organizational segment.

In the offices which manage and account for Commodity Credit Corporation inventories in the field, a work measurement system is used. Under this system the work involved in handling commodities is analyzed to identify each separate operation involved. These include work items such as payment of storage charges, issuance of loading orders, settlement of loading orders, making freight payments, etc. Based on past experience and taking into account the productivity increases which have occurred over the past ten years, a production rate is determined for the manpower needed to perform the paper work for each separate operation. Commodity volume estimates are converted into numbers of documents to be processed. By applying the applicable production rate, financial and employment requirements are determined.

For county offices operated under the farmer committee system, requirements are estimated on the basis of workload expected to be accomplished. The workload is based on the volume of specific items of work carried out under each program. Each item is assigned a weight factor based on the estimated time required for it and its relative complexity.

In all of the foregoing estimates, adjustments are made to reflect reductions due to mechanization, other changes in methods, management surveys, and any other factors affecting manpower.

Manpower Controls

The ASCS manpower control system includes: (1) controls over the establishment of positions; (2) procedures for the review of vacancies; (3) allotment and allocation controls; (4) employment limitations; (5) work measurement; (6) regular analytical reports on employment; and (7) quarterly and annual budget reviews.

The Personnel Management Division establishes positions and processes personnel actions only to the extent consistent with approved organization charts and assignments of responsibility.

All division and office directors are required to review each vacancy which occurs in the light of the following criteria:

1. Is the work performed by the person who was formerly in this position absolutely necessary?
2. Could the work of this position be performed by someone else now on the rolls, or could someone now on the rolls be trained to do it?
3. Could the work be divided up between two or more persons now on the rolls?
4. Could the work be deferred until a later time when it would be possible to assign it to someone now on the rolls, or could a temporary employee perform the work?
5. Is the work necessary, and is every person now on the rolls who could do the work or be trained to do it, fully occupied with presently assigned duties?

Allotments and allocations of funds are used to control manpower. Each commodity office and State office is given an approved amount of money sufficient to finance a specified number of man-years. It is required to develop and administer an operating budget within the amount approved. For Washington divisions and offices, allotments are made to each deputy administrator and to the administrator to cover employment authorized in the organizational units which report directly to them.

Employment limitations are established for each commodity office, each State office, and each Washington division and office. These limitations specify numbers of permanent full-time employees, and man-years of all other employment.

Work measurement is used for control purposes in the commodity offices. Actual production rates are compared with budgeted production rates, and adjustments in operations, funds, and employment limitations are made on a current basis.

Regular analytical reports of employment are made by the Budget Division. These reports highlight trends, identify reasons for changes, and point out the need for corrective action when that appears to be necessary.

Quarterly and annual budget reviews are held. At these reviews, the deputy administrators review the operations, funds, man-years, and employment limitations of the organizational units which report directly to them. Budget Division analysts are assigned to maintain a continuing review of developments in each organizational unit. These analysts attend the quarterly and annual review meetings and make recommendations for changes in allotments, staffing, and employment limitations, and also make recommendations for filling or abolishing vacant budgeted positions.

Management Improvements

Special efforts are made to increase employee productivity through management improvements. To give national leadership and coordination to the management improvement efforts, a special operations analysis staff has been established. This staff places special emphasis on mechanization and data processing, organizational planning, work measurement, manpower utilization, management surveys, and related activities.

The Personnel Management Division makes continuing analyses of organizational structure, and reviews staffing patterns. It also promotes good supervisory practices, conducts training programs, encourages employee suggestions, and attempts in many ways to improve the skills and abilities of employees and the utilization of those skills.

Test Checks

The operations analysis staff makes test checks of the manpower control system to identify problems or opportunities for improvement, in cooperation with others in the agency. For example, a spot-check was initiated in all States last year to test the validity of weights assigned to work items used for county office work measurement. The results of the system, in terms of man-years and employment requirements, are reviewed during the budgetary process.

Plans for the Near Future

The operations analysis staff, Budget Division, and Personnel Management Division have been assigned to evaluate the system mentioned above and to make any recommendations which appear desirable for achieving wise use of the ASCS work force. The deputy administrators of ASCS will be requested to give their full attention to implementing these recommendations.

ASCS has recently been completely reorganized. This reorganization will improve programs, strengthen internal communications, and increase administrative efficiency, including more effective supervision of county offices. As a result, it is expected that there will be opportunities to adopt improved procedures, simplify operations and communications, reduce administrative and secretarial workload, and reduce staff. Consequently, until it is certain that the staff has been reduced to a minimum level and any surplus personnel have been reassigned to essential work, a "freeze" (except in shortage categories) has been placed on all hiring by Washington divisions and offices and by the commodity offices. Each Washington division and office will be assigned a reduction goal for the remainder of the current fiscal year. These reduction goals will be reflected in the personnel ceilings to be established at the beginning of fiscal year 1964.

A "shelf" of projects for application of automatic data processing techniques has been developed, and a data processing center has been established to perform the work. One interesting possibility is the use of optical scanning equipment to eliminate some of the manpower involved in translating data from one form to another.

In fiscal year 1964, the Congress will be requested to simplify the appropriation structure of ASCS. This will permit further simplification of financial controls in Washington. Plans are being developed for simplified financial controls in field offices for fiscal year 1964, and for elimination of complicated operations which have heretofore been necessary under the Consolidated Disbursement Account management fund.

All of the above actions will contribute to increased productivity and reduced fund requirements, chiefly because of mechanization and program developments, but also because of other efforts to increase productivity. Under existing legislation, man-years of employment will be about 3,000 lower in 1964 than in 1963. Administrative expenses will be at least \$16 million lower in 1964 than in 1963 as a result of the reduction in manpower requirements.

COMMODITY EXCHANGE AUTHORITY

For many years, it has been the policy of the Commodity Exchange Authority to eliminate non-essential activities and positions. The agency feels its efforts have been successful in view of the reduction in personnel from 220 employees in 1940 to 127 employees in 1962, while the number of commodities under the Commodity Exchange Act have increased. The agency's Organization and Procedures Manual carries the following instruction:

"Each division director and commodity exchange supervisor in charge of a field office is responsible for the operation of his division or field office in accordance with established procedures, and must maintain such direction as will insure proper administration, effective use of personnel, and coordination with other units of the Agency."

Operating Procedure

Control of current and future employment is maintained in the Washington office by the assistant to the administrator for management. Division directors and supervisors in charge of field offices are consulted regularly regarding staffing requirements for approved program activities. Workload data are reviewed and comparisons are made with past performance records. At the beginning of each fiscal year, after determinations of personnel requirements are made, funds covering the approved personnel requirements are provided by the issuance of operating plans to the Washington office and to the five field offices to cover the estimated costs, based upon funds available, for the fiscal year. Increased employment is possible only after approval by the assistant to the administrator for management and the issuance of a revised operating plan to cover the cost.

Review of Vacant Positions

When a position becomes vacant, the supervisor and the assistant to the administrator make a review of the current workload situation to determine whether the work could be reassigned to other employees and the position abolished. If this is not possible, action is initiated to fill the position under the agency's merit promotion program.

Workload Factors

A staff of accountants is maintained to audit the books and records of each futures commission merchant at least once a year. A specific number of audits to be made a year by an accountant has not been established as a workload factor because of the wide variation in the size and complexity of the audits. The customers' funds involved vary from a few hundred dollars for some firms, to millions of dollars for others. The number of accountants required is determined by past experience and the number of futures commission merchants registered under the Commodity Exchange Act.

Reports and Inspections

Commodity exchange supervisors in charge of field offices submit monthly and special reports to the Washington office. In addition to reviewing the substantive work being done in the field offices, these reports stress changes in market conditions which may require a realignment of program functions. Careful consideration is given to transferring employees between activities to avoid an increase or to permit a decrease in personnel.

A cost analysis system is used to enable the agency to evaluate the personnel needs, costs, and effectiveness of the operating plan as it relates to each activity. Since employees are utilized wherever the need is most urgent, the basis for distributing program costs to respective activities is a system of daily records of time spent by employees on each activity in each field office and Washington division.

Field inspection trips are periodically made by the administrator, deputy administrator, assistant to the administrator, and division directors to determine that personnel are fully utilized, and to develop necessary changes in program plans. These inspections enable the Washington supervisory personnel to maintain intimate first-hand knowledge of the personnel and operating needs of the field offices.

Specific Areas of Emphasis

A program for full mechanical auditing of daily reports on futures transactions and positions filed by brokers and traders under the CEA Act is being instituted by the agency. Mechanical auditing procedures have been designed to use faster and more versatile electronic data processing equipment. This will increase speed and efficiency in verifying the varied series of required reports. The new program will enable earlier revelation of reporting errors and discrepancies, as well as excessive speculative trading and positions, so that immediate action may be taken to correct or head off abuses. It will afford faster compilation of data on trading volume, composition, and size of the market for regulatory purposes. It will decrease errors, save time, and reduce the cost of auditing for this phase of trading supervision work.

Corollary to mechanical auditing, certain series of reporting forms are being revised to reduce the amount of information to be furnished by large traders. This revision will greatly reduce the balancing problem from one day's report to the next, both for the reporting trader and the Commodity Exchange Authority. It will also diminish the amount of correspondence required to correct inaccuracies shown on reports.

COOPERATIVE STATE EXPERIMENT STATION SERVICE

At the request of the Administrator of Cooperative State Experiment Station Service a task force consisting of representatives from the Office of Budget and Finance, Office of Personnel, and the Agricultural Research Service, recently conducted an organization management survey of the Cooperative State Experiment Station Service. The report surveyed the manner in which the primary functions of the Service are carried out. It reviewed relationships with the State agricultural experiment stations, and proposed several areas in which improvements could be made to realize economies and increase effectiveness of cooperative research activities. Some of the more significant recommendations are:

1. That the staffing pattern and related grade levels be adjusted to provide the administrator with immediate key staff assistance comparable to that available to most other agencies of the Department.
2. That the organization be revised to better delineate the division of staff responsibilities.
3. That the number of secretaries in relation to the number of subject-matter specialists be surveyed with a view to reducing the ratio from 1:1 to 3:4, thereby achieving better personnel utilization and savings.
4. That the station program reviews be scheduled over a longer period of time to permit reviews in-depth of defined areas of work or disciplines and that the examination of accounts be made whenever practicable by management staff in lieu of technical research specialists.
5. That the Department undertake studies in the field of information system design and data processing in relation to the storage and retrieval of scientific information, including the needs of CSESS.

The Service is in agreement with the overall objectives of the report and the recommendations are being implemented as rapidly as possible.

During the past several months new procedures have been developed to improve the effectiveness of field research reviews. These procedures provide for a general review of research at the State stations every other year. Members of the technical staff will make in-depth reviews in their area of competence. It is planned that the research at all 53 stations will receive in-depth reviews during a four to five year period. The change in review procedures will make it possible for the technical specialist to give more effective professional assistance to the station research staff. He will be able to analyze in greater depth the research activities at the station, particularly those of special interest to him.

A significant by-product of this type of examination will be the opportunity for him to more fully realize added professional benefits in his primary field of interest.

Special emphasis is also being given currently to revising the administrative procedures of the Regional Research Program. Effective July 1, 1963 contributing projects outlines will be discontinued as separate documents. All phases of the regional outline will be common to all participating States. This will reduce the number of project outlines under the Regional Research Program from nearly 3500 to 197 and will result in better orientation and coordination of regional research. The total of all approved projects will be allotted to each station. Many of the cumbersome procedures required under the previous system will be eliminated.

Scientific Journal To Aid

Scheduled as a bi-monthly publication to appear in the latter part of 1963, a new scientific journal entitled "Agricultural Science Review" will be published by CSESS. This will facilitate coordination of information on past and current scientific research related to agriculture. It will provide an authoritative source of information on published research relating to selected areas of agriculture, research in progress, trends in research, and management of research programs. In addition to improving communications, stimulating research efforts, and keeping agricultural scientists informed, it will serve as a tool for the evaluation of existing and proposed research. An objective of this publication will be to provide other areas of science with a better understanding of agricultural research as a significant force in technological advancement and the growth of scientific knowledge.

A system of cataloguing current Federal-grant research projects in abstract form was devised and made available to all State stations during the past year. Work is underway to extend this system to include the non-Federally supported projects at the State agricultural experiment stations. This should do much to improve research planning, coordination and prevent duplication.

Recruitment will be limited to areas of work necessary to performance of the functions of the Service within available funds. Consideration will be given to utilizing existing personnel to the maximum extent in staffing new programs and in the expansion of existing programs. Vacancies resulting from voluntary resignation, retirement, or death will be reviewed to determine whether the duties of the positions can be reassigned to other employees or whether the positions can be abolished without seriously affecting the execution of essential functions. This policy has been established especially in regard to secretarial positions to obtain the overall ratio of three secretaries to four subject-matter specialists.

ECONOMIC RESEARCH SERVICE

Each year when funds are allocated to the divisions of the Economic Research Service a complete review is made of the program for the year, including operating proposals, financial needs, and employment needs. Employment and vacancies are further examined during the regular quarterly fund reviews as well as during other special or interim program evaluations. Although research work is not readily adaptable to work measurement, consideration is being given to some experimentation in this area in the near future.

Selectivity, or getting the right man for the job, has been inherent in ERS recruitment programs. Skilled evaluation is used in moving employees from one assignment to another. During the current fiscal year it has been necessary to plan for curtailment of certain lower priority activities and to shift staffs to more urgent or important research.

The needs of the Department are such that it has been imperative to shift resources to research involving foreign agricultural economic programs. These shifts are accomplished by detailed and thorough examination of the programs. These examinations are conducted by the administrator and his staff, the division directors, and the appropriate units of the Management Operations Staff.

The goal of the Economic Research Service has been maximum utilization of staff, efficient use of financial resources, and emphasis on programs of urgent priority.

FARMER COOPERATIVE SERVICE

Vacancies are reviewed to determine whether positions should be filled or abolished. The requesting branch or division notifies the FCS Personnel Office in writing through supervisory channels of the recommendation for action. Requests for filling a position must clearly indicate urgency, workload information, consideration of alternative methods of doing the work and other justification. The administrator approves such requests only upon determination that they are fully justified.

Quarterly operating budgets are established under each fund for personnel compensation and other costs. All requests are checked with the budget for availability of funds. Reports are issued monthly for the information of the administrator, division directors, and others concerned. These reports are used in periodic financial review meetings.

Budget estimates are based on estimates of personnel needs for specific areas of work. Program support activities are estimated on the basis of workload items and prorated to activities on average employment of professional personnel. Consideration is given to increase of employee productivity by use of ADP or other improvements.

Program Evaluation and Productivity

On August 1, 1962, the administrator announced a systematic plan for annual program evaluation review meetings for all units. The overall objectives of the reviews are (1) to aid in coordinating work of the Service and provide back-up information for budgetary reports, (2) to consider relative program priorities and justification of program levels, and (3) to review the direction of programs to assure that they are tailored to meet changing needs.

Data submitted at each review meeting include the following:

1. Basic objectives of the branch.
2. Summary description of current program and plan of work.
3. Statement of current and proposed research projects, and estimated man-months for current and next four fiscal years.
4. Statements of current and proposed service and educational work and estimated manpower for current fiscal year.

Emphasis in Future Programs

The program evaluation review meetings described above will be completed in January and February. During these reviews, emphasis will be placed on the following: (1) the relationship of manpower requirements to work priority; and (2) assignment of manpower, and possibilities of coordination between program branches to achieve greater efficiency in use of manpower.

The administrator has asked a working group to explore the possibility of relating annual program accomplishments to man-year input. A report on

program indices is being reviewed by the administrator. This project is scheduled for completion by April 1, 1963.

Anticipated Results and Benefits

Benefits anticipated under the current and proposed programs are summarized as follows:

1. Positive determination of need for filling positions, with due regard to alternative ways of doing work.
2. Continuous annual review of each area of work and evaluation of manpower input in relation to priority of work.
3. Exploration and testing of use of program indices relating annual program achievements to manpower input.
4. Improved coordination of all phases of manpower control and utilization programs with related management improvement and training to achieve maximum manpower utilization.

FARMERS HOME ADMINISTRATION

The Farmers Home Administration manpower control and utilization program includes the following:

1. A committee composed of assistant administrators reviews and reports to the administrator on all new positions and vacant budgeted positions in grades GS-9 and above.
2. Performance ratings are effectively used in the Farmers Home Administration to increase efficiency and productivity of individual employees. The workload and program of work in each county office are evaluated in annual discussions with individual area supervisors and the state director and members of his staff. These discussions take place just prior to completion of performance ratings. Area supervisors and county office personnel are rated immediately following these evaluation discussions.
3. Detailed program reviews are conducted by State staff members in at least one county office in each area supervisor's territory annually. Both quantity and quality of work are reviewed with emphasis on efficiency of operations. These reviews are of three to five days' duration. This assures sufficient time for detailed program analysis.
4. Periodic and special county office internal audit reports are carefully analyzed to determine training needs and to point up any weaknesses in manpower utilization.
5. Each state office and each area supervisor develops an annual plan of work in accordance with national office policies. Each State plan of work is carefully reviewed in the national office and any deficiencies are discussed with the appropriate State director.
6. Monthly calendars of work are developed by each State, area, and county office. These calendars include travel plans, office appointments, plans for training meetings, and other activities that must be planned in advance.
7. Field evaluations of State programs are conducted by national office staff members on a selected basis according to need, with emphasis on manpower control and utilization.
8. The processing of reports and other information needed for program analysis is being gradually converted to ADP. Surveys are being made in selected State and county offices to explore additional possible uses of ADP equipment.
9. Management improvement has been made a part of day-to-day operations, rather than a specialized program. Key personnel in the national office are constantly seeking ways to simplify and improve rules and regulations which govern the operations of State and county offices. Supervisory personnel in State and county offices are rated annually on how effectively and economically they manage their offices.

10. A special national office staff unit was recently established to develop, coordinate, analyze, and evaluate program planning, scheduling, training, workload, and staffing activities.

FEDERAL CROP INSURANCE CORPORATION

The Federal Crop Insurance Corporation has an established committee for the improvement of manpower control and utilization. It meets on a monthly basis or as frequently as desired by the chairman, and is composed of key officials who are responsible for program, management, personnel, and fiscal and budgetary functions. This committee is charged with a continuing review of the Corporation's functions from the standpoint of improving manpower controls and utilization and overall management improvement.

In addition to the above, the Corporation's program for improving manpower controls and utilization includes periodic meetings by a budget review committee. Hearings and reviews for this purpose are participated in by representatives of the Corporation's management, budget officials, and other key officials such as division, State, and area directors. During these meetings, the supervisory officials review in detail their manpower needs in relation to projected workload and programs. They present staffing needs and justification for their requests. This program has been very satisfactory in determining future manpower requirements. It emphasizes to supervisory officials at all levels the importance and need for constantly seeking ways to utilize to the fullest extent existing manpower and to seek more efficient means of carrying out their assigned program functions.

The Corporation's continuing policy is to limit the number of employees to a minimum and to intensify efforts to effect increased employee production by improved manpower control and utilization. As a positive control, it is required that all requests for new personnel be fully justified in writing by the employing office. These justifications are reviewed in the headquarters office. Only those which it is determined are justifiable are approved.

Prior to the beginning of each fiscal year the budget review committee meets with management, division directors, and State and area directors to discuss program operations and to determine manpower needs. Many good suggestions for operating improvements result from these meetings. They have created a continuing awareness of responsibility to search for better methods for operating and expanding the crop insurance program with existing personnel.

The agency plans continuing management analysis surveys of program phases for conversion to electronic data processing and management surveys for determining the best utilization of personnel and areas of training needs.

Specific Areas of Emphasis

Specific actions being taken to improve manpower utilization are:

1. The Corporation will convert its present electric accounting machines system to an electronic computer operation. This will reduce detailed clerical work throughout the Corporation and

provide additional needed management information in a more timely manner.

2. A management analysis survey of all program phases is currently underway with a view to processing as much program data as feasible for 1964 crop year programs on electronic computers. Arrangements are in process for the Corporation to secure time on the computers in the ASCS Data Processing Center in Kansas City.
3. Additional emphasis is being placed on improving and expanding the program of training salesmen and field representatives in the techniques of presenting and selling the crop insurance program. The purpose of this training is to improve the selling and servicing phases of the program and increase productivity of agents and sales representatives.
4. A pilot program is underway in 15 counties to determine the feasibility of ASCS administering the FCIC program at the county level. An agreement has been designed and operations will begin under the agreement effective with spring sales for the 1963 crop year.

Anticipated Results and Benefits

When conversion to the electronic computers is complete, significant savings are anticipated, including the eventual elimination of the EAM equipment rentals and reduction in operating personnel costs. Greater flexibility in the recording and analysis of statistical and accounting data for use in program planning will result in more effective and faster service to farmer-customers.

By better utilization of human resources, the Corporation can, with a minimum of additional personnel, accomplish the increased workload resulting from the expected increase in the number of insurance contracts.

FEDERAL EXTENSION SERVICE

The Cooperative Extension Service of the 50 States and Puerto Rico employs approximately 98 percent of all Extension personnel. Therefore, the Federal Extension Service's major effort is directed to improving the manpower utilization of the State Extension Services.

The following steps have been taken to this end:

1. Project agreements and plans of work have been reduced from an average of 28 per State to 8. This has provided a basis for coordinated planning and program effort, and has reduced demands on manpower. This permits agents to devote a greater portion of their time to program operations.
2. During the current year, it is estimated that the Cooperative Extension Service will distribute over 40 million copies of State and USDA publications. FES has worked with the States in developing uniform forms and procedures to improve the efficiency of this work. For example: snap-out forms which can be used by all county workers have been devised. This speeds up the time interval between order and receipt of publications. It also reduces the number of order forms used by the States from 51 to 1, thereby eliminating the re-typing of approximately 29,000 publication orders. FES has met the 5 percent increase per year in workload in this area of publications distribution through such efficiency measures.
3. The Federal Extension Service in cooperation with the States has developed a pilot project in five States which, it is hoped, will result in further decentralization of personnel and other benefits, further improving the total manpower utilization.
4. The administrator and his immediate staff work closely with the State Extension Services in regional and national meetings and on numerous occasions to determine areas of personnel needs based on program emphasis. This has resulted in States recognizing the complexity of Extension work and as a result, employing highly qualified area specialists to better serve the people of each State. This action has decreased the need for employing specialists on a county-wide basis in most counties, thus providing improved service to greater numbers with relatively less manpower.

Program for Improvement

The Federal Extension Service is organized on a division basis with responsibility for manpower utilization and controls assigned to division directors under the general supervision of a designated assistant administrator. All employees are headquartered in Washington, D.C., except for four specialists in the field.

Each vacancy resulting from voluntary resignation, retirement, or death is carefully reviewed to determine whether the duties of the position can

be reassigned to other employees or whether the position can be abolished without seriously affecting the execution of essential programs.

Continued study of the FES organizational arrangement will be made to more effectively meet changes in Department and State programs. A recent example of this effort is the reorganization of the FES staff to provide additional emphasis to the Rural Areas Development work and public affairs efforts.

In the coordination of a nationwide program, much of the time of FES personnel is involved in travel. A system has been developed whereby States request assistance in advance on a six-month basis. This provides for more effective utilization of the time of the specialists while in the office and in the field. It also permits review of travel plans by division directors well in advance, thereby permitting coordination and economies.

FOREIGN AGRICULTURAL SERVICE

The Foreign Agricultural Service continuously applies selected tools and techniques found to be useful in control and utilization of its employees. These include the following:

Personnel Division

The Personnel Division performs the following functions relating to manpower control and utilization:

1. Maintains a staffing pattern reflecting the number, type and grade of positions in each unit of organization. It periodically reviews the quantity and quality of unit competence in terms of program needs. It insures that no vacancy is filled unless it is certified by proper supervisory officials as essential.
2. Conducts special studies to determine ratios of professional and technical personnel to support personnel as bases for adjustments to attain most effective manpower utilization.
3. Based on job analyses and surveys of program needs, it recommends realignment of functions and organizational changes to provide for more effective position alignment and utilization of personnel.
4. Conducts a personnel placement program designed to assure maximum utilization of staff skills and abilities; conducts placement follow-up and utilization surveys.
5. Coordinates employee development programs, at appropriate levels, designed to improve the managerial, supervisory and technical knowledge, abilities, and skills of all FAS employees, including foreign area and foreign language programs.
6. Recommends rotational assignments between Washington and the foreign field designed to assure maximum development and utilization of each employee involved to meet long-term and immediate foreign and domestic staffing and program needs.

Personnel Assignments Committee

The Personnel Assignments Committee, consisting of the assistant administrators in charge of the various FAS programs, chaired by the assistant administrator for management, and reporting to the administrator, develops long-range plans and recommends personnel actions concerning full utilization and development of personnel to meet foreign and headquarters program needs. This involves the review of individual assignments in the upper grades and cross-program transfers, including the selection of personnel to fill agricultural attaché posts abroad and the placement of agricultural attachés returning for Washington assignment.

Budget

In the annual budget process, assistant administrators review total FAS program requirements and staffing needs in detail, with particular regard to FAS objectives and manpower requirements. The administrator decides on increases to be included in the agency budget request after evaluation of issues, needs, resources, and direction of agency activity.

Management Improvement

There are several interrelated efforts of the Service to improve the effectiveness, use, and efficiency of agricultural attache reporting, both in terms of the public served and internally. These efforts will be materially strengthened in the coming year:

1. Country attache reporting schedules are being reviewed to get more spot information on seeding, crop conditions, and harvesting.
2. An econometrician is being recruited to help develop uses of data processing equipment in retrieving information of record in the Service.
3. The Service now has international telex connections to some 30 overseas posts, permitting direct and rapid transmission of foreign marketing information. A high priority item is the issuance of instructions on use of the system for reporting.
4. In January 1963, the Service began to issue its new weekly, Foreign Agriculture, a new, expanded, rapid outlet for releasing timely, important information reported by agricultural attaches.

Attache Housing Program

The Service now has more than 40 of its field officers housed in officially leased or assigned quarters, and will continue to press for additional official leases. In one-man foreign post operations, the provision of official housing and furnishing has saved countless manhours formerly spent in locating quarters and waiting on shipment of personal household goods.

Legislative Needs

The lack of authority to detail higher grade field personnel to headquarters, where existing vacancies do not necessarily match the grades of field personnel, is at times a serious obstacle to effective public service, maximum utilization of personnel, and career development. Legislation has been requested to enable the agency to solve this problem.

Specific Areas of Emphasis

The administrator is requesting division directors to report on the work-items completed during the past year and the problems and tasks of the coming year, with an appraisal as to which items in the priority list should receive greatest emphasis. The reports of the division directors will be reviewed by the administrator. Meetings will be held to adjust priorities to those tasks deemed to be most important in carrying out FAS overall objectives during the coming year. Work items of marginal value or necessity will be eliminated and personnel reassigned to higher priority items.

FOREST SERVICE

The Development Program for the National Forests, the objectives of the State and private forestry activity, and the related national forestry research program establish the bases for detailed work plans at each organizational level. These detailed work plans are brief statements of short-range objectives and job priorities with definite assignments and dates for accomplishment. Work measurement techniques are applied to determine manpower, equipment, and materials needed for each job in the financial plan. These plans are reviewed and approved at the next higher organizational level.

Periodic inspections and reports are made to determine rate of accomplishment and to control adherence to plan, quality, and quantity of work performed, and efficiency and economy of operations.

A strong management improvement program is in operation. A planned and continuous search is being made for new management techniques and methods of accomplishing the work at lower costs.

Contracting for Small Field Jobs

Shifts from force account to contracting are enabling the Forest Service to meet accelerated work programs with a minimum number of employees, and an accompanying minimum investment in housing and equipment. Contracting will be used only where it will be more advantageous to the Government. Contracting areas, such as site preparation, planting, thinning, and release work, offer major opportunities for savings in the timber management field.

Cooperative Research

In fiscal year 1962, the Forest Service initiated a formal cooperative-aid research program. The Forest Service enters into cooperative agreements with colleges and universities that have qualified personnel, facilities, and mutual interest in forestry research. The cooperator furnishes the scientists, laboratory space, equipment, and other research facilities or manpower. The Forest Service reimburses the cooperator for a portion or all of the expenses incurred to the extent of the provisions of the agreement. Frequently the cooperating institution shares in the cost of the research. This results in considerable program accomplishment at a minimum of cost to the Government and reduced manpower requirements.

Direct Seeding to Replace Planting

Direct seeding is now a proved practical method of reforesting certain unproductive lands in the South and Pacific Northwest. Its success is due in part to the development of effective, inexpensive techniques for coating seed with bird and rodent repellent materials. In many areas direct seeding, which costs on the average about \$13 per acre, is replac-

ing the more expensive planting procedures, which cost on an average of \$25 per acre.

Improved Range Reseeding Methods

An estimated 4 million acres of the 64 million acres of livestock range on National Forests and Grasslands are in need of revegetation. Study of improved range seeding methods, including determination of what, where, how, and when to seed, and research on the management of seeded range, is continually developing techniques which reduce costs and lower the risk of failure. For example:

1. On National Forest lands in the Southwest, application of new knowledge has made practical the seeding of 82,000 acres of ponderosa pine range and has increased chances of success from nearly zero to more than 90 percent of all seeding operations. Furthermore, range seeding in this area can now be done for \$10 per acre compared to \$20 per acre using previous methods.
2. In the Northwest Region (Oregon and Washington) the adaptation of the rangeland drill to deep furrow seeding has resulted in treating about one-third more acres at the same cost. In addition to reducing the per acre cost, a 50 percent increase in successful stands has been made possible by this method of direct seeding. At present financing, it will take about 25 years to reseed this area using this new method as compared to 35 years under the old method. Saving will total about \$1,400,000.

Reduction in Cost of Insect Control

Research and pilot testing have recently developed methods that show promise of increasing the effectiveness of detection and suppression in insect control work at lower cost. These methods are (1) aerial reconnaissance during winter months to detect Engelmann spruce beetle outbreaks, (2) special methods of applying malathion for suppressing lodgepole needle miners, and (3) the use of lindane in place of ethylene dibromide to suppress bark beetles.

A pilot test has been under way for two years to determine the effectiveness and feasibility of detecting Engelmann spruce beetle outbreaks during winter months by aerial reconnaissance. Preliminary results are most encouraging. If this method is as effective and feasible as early results indicate, an annual saving of \$30,000 is estimated.

Initial pilot tests to suppress the lodgepole needle miner cost about \$30 per acre. Recent tests using malathion with improved application techniques have reduced this cost to \$10 per acre.

Improved Management of Research

Several improvements in the organization and administration of the research program of the Forest Service are under way or planned for the immediate future. These are designed to (1) increase the effectiveness of each professional research man, (2) capitalize to the maximum extent on the advantages of groups or teams of scientists working together on related phases of a problem, and (3) assign common service activities at field research locations to management specialists.

Changes in Career Patterns

In 1959 the services of a management consultant firm were utilized in studying the organization pattern in the Forest Service. This study indicated the need for delineating more precise avenues for advancement of professional employees. Career fields have now been redefined and made available to all professional employees. Coordinated training plans and placement actions improve manpower utilization and develop the capabilities needed for expanding activities.

Fire Control Cooperation

Each Region is working to improve cooperative arrangements with State and local fire protection agencies and with private industry to strengthen fire protection and reduce costs. Efforts are being made to eliminate duplication of effort and to strengthen initial fire control actions on an area basis with consequent reductions in suppression costs and forest resource losses. This program should result in improved fire protection at lower cost, with estimated annual savings of \$250,000.

Specific Areas of Emphasis

Supervision by on-the-ground managers is being intensified, with additional emphasis placed on manpower utilization. Increased emphasis is being placed on training and development programs, particularly in training foremen, strawbosses, and supervisors. A nation-wide inventory and study of critical employee behavioral incidents is being planned. By identifying and correcting deficiencies in employee training and supervision, this study promises to contribute substantially to effective manpower utilization.

Action is under way to make further delegations to field offices. This contemplates that the work will be accomplished at the lowest possible level consistent with availability of technical and administrative competence. Increased use of cost studies will be made to determine how programs may be conducted more economically and efficiently.

A more critical review will be made of use of work plans and accomplishments. Inspectors will be required to probe more deeply into the management aspects of work programs to determine whether best and balanced use is being made of manpower, equipment, and material resources. Tighter

control is being placed on travel plans, scheduled meetings, workshops, etc. Only essential trips and fully justified meetings will be authorized and approved.

The Forest Service is continuing to expand and improve its workload analysis and measurement system. Workloads have been defined and measured for all ranger districts, National Forests, and regional offices. This provides the basis for staffing needed to perform a given amount of work to a predetermined standard.

The system of accomplishment reporting and evaluation of the management effort is being modified.

As a means of enhancing these efforts, managers who have demonstrated their ability to increase productivity, efficiency, and economy in program operations will be identified and rewarded through the Government Employees' Incentive Awards Program. Emphasis will be on creating a "cost conscious" philosophy--and all such awards will receive wide publicity.

Existing Controls on Manpower Utilization

The Forest Service internal inspection program includes an analysis and evaluation of work plans, travel plans, and accomplishments in terms of most efficient and economical use of manpower, materials, and equipment. Positions are controlled through the budgetary processes and approved organization structure. Vacancies are filled only on the basis of demonstrated need to carry out essential activities. The Forest Service has established a personnel ceiling on all regional offices and the Washington office, to promote greater efficiency and economy of operations and more effective utilization of manpower.

Nature and Adequacy of Management Staff

The Division of Administrative Management has the over-all direction of the management improvement program, which includes work planning and manpower utilization. At each regional office these duties are assigned to the Division of Operation.

Management analysis officers assigned to the management improvement effort are well qualified by education, training, and experience. These staffs are small--five officers in the Washington Office, and generally not more than one at each regional office.

Within the past few months the Forest Service employed an industrial engineer who is highly skilled in operations research techniques. He has been assigned to work full time in the area of management improvement.

NATIONAL AGRICULTURAL LIBRARY

The National Agricultural Library will continue and intensify its program of management improvement through staff utilization and control. Supervisors are required to review each vacancy as it occurs to determine whether or not the position is essential, and to recommend filling a position as is, changing the description, or abolishing the job. Written performance requirements, including realistic production standards wherever possible, have been established for all positions. The director has delegated one of his assistants to review all recommendations to fill vacancies or establish new positions. The review is accomplished through a combination of known research needs, workload statistics, performance standards, and other methods relating to specific positions.

A revised career program has been inaugurated and is expected to encourage employees in self-development and to pinpoint training needs in potential supervisory or executive staff. Promotion from within will keep trained personnel and will result in more efficient and productive output.

Several specific projects are either underway or in the discussion stage at the present time:

1. A task force, composed of representatives of several agencies of the Department has been established for agricultural-biological literature exploitation. Working with operating officials of the Library, work procedures are being flowcharted; studies of research needs, users, types of publications required and many other phases of Library operations are being examined to determine feasibility of mechanization. A final report and recommendations are scheduled for mid-1963.
2. Preliminary steps have been taken to intensify cooperative relationships with Land-Grant College and University libraries. Acquisition, maintenance, bibliographic and reference functions are being investigated to determine possible areas of net-work operation.
3. Discussion has been held on the possibility of a pilot study on manpower utilization within the Library. Education, experience, personal attributes, etc., are some of the factors contemplated for inclusion. Target date is to be set at the convenience of the Office of Personnel.
4. Several projects for improvements in services or procedures are underway. Included are such possibilities as increased cooperation with the Library of Congress and elimination of security classifications on materials no longer affecting the national security.

Scheduled for action in the near future are:

1. Study of bindery preparation activities.
2. Further deliberations on cooperative relationships.

3. Completion and implementation of task force recommendations.
4. Review of all statistical record-keeping; determination of need and use of information developed.
5. Increased emphasis on employee suggestions.
6. Collaboration with the Library of Congress and the National Library of Medicine on procedures and performance standards to effect comparative statistical information.

Classification audits are used as tools for better utilization of manpower, and for determining areas for study. The management services staff endeavors to carry out broad responsibilities in management improvement areas. Since there is no specific management improvement staff, all employees and supervisors are required to display initiative in developing new and better methods and services.

OFFICE OF THE GENERAL COUNSEL

The objective of the management improvement activities in the Office of the General Counsel is to provide the best possible legal services for the Department of Agriculture with the most economical expenditure of funds. To this end, operations are continually reviewed to identify areas where: (1) legal services may be improved; and (2) economies may be made without affecting adversely the quality of legal services performed. Since salaries and related personnel benefits represent more than 92 percent of the expenditures of the Office of the General Counsel, a program of manpower control and utilization represents the major area of attention.

The manpower requirements for the Office of the General Counsel are dictated in large measure by program activities and policies throughout the Department. The General Counsel is not in a position to control the volume of legal work referred for attention, since referrals arise out of the activities of the various agencies of the Department. Much of the work of the Office of the General Counsel, especially that in connection with claims and litigation, is governed by statutes and the rules of procedures established by the Courts which require that a particular matter be handled in a specific manner and disposed of within a specified time. Similarly, the rendering of legal services in connection with some of the Department's programs is dictated by seasonal or crop deadlines which are equally exacting.

The work of each unit is performed with the minimum number of employees needed to fulfill assigned responsibilities. Requests to fill a position, whether by promotion or outside recruitment, must be accompanied by a statement of (1) the efforts made to redistribute the work among employees on the rolls, and (2) the effect that disapproval of the request would have upon the work of the organizational unit and the program activities served. This policy is not intended to preclude normal operation of the career-service and merit promotion programs as they relate to the promotion of attorneys and the up-grading of non-legal employees as the result of the assumption of greater responsibilities.

The executive assistant has been delegated authority to approve or disapprove the filling of all vacancies and new positions. Insofar as this applies to attorney positions, he may act only after consulting with the General Counsel.

Manpower Utilization

There is a continuing effort to improve efficiency and work output by devising and employing better management, organizational and production methods. This requires that:

1. Work be planned and organized properly;
2. Each work unit be staffed with no more than the minimum number of employees required to perform the job adequately;

3. Each employee be selected, placed and trained to meet the requirements of the job to be done, with due consideration being given to his capacity for growth.
4. Professional employees be relieved wherever possible of matters not requiring legal training and which may properly be performed by non-legal personnel.
5. Recruitment be based on strongly supported long-range needs; short-range needs to the extent feasible shall be met by details or temporary reassessments.

Assignment of Responsibility

All employees have a responsibility in carrying out this program to most effectively utilize manpower and other related resources. The employee has the responsibility to perform effectively and to make known to his supervisor suggestions for improvements. The supervisor is responsible for utilizing the human skills and other resources available to him in the most effective and economical manner.

The Deputy and Assistants General Counsel are responsible for coordinating and stimulating the most effective use of manpower on matters in their respective fields of responsibility. The Executive Assistant is responsible for coordinating, stimulating and reporting upon the manpower utilization program in the Office of the General Counsel.

OFFICE OF INFORMATION

The Office of Information is working to improve manpower utilization, increase productivity of employees, and achieve efficiencies and economies in accomplishing the job "... to acquire and diffuse among the people of the United States useful information on subjects connected with agriculture in the most general and comprehensive sense of that word...." The program is founded on the belief that responsible operating officials, from the Director of Information down through the first-line supervisor, are responsible for achieving the most effective use of their assigned manpower resources.

Each vacancy is reviewed to determine the need for filling the position or abolishing it. The requesting division notifies the Personnel Office of its recommendation for action, indicating any available workload information, consideration of alternative methods of doing the work, and other data. The Director of Information approves such requests only upon determination that they are fully justified. The request for filling a vacancy must include a statement by the supervisor to assure compliance with the certification required under Section 1007C of the Postal Service and Federal Employees Salary Act of 1962.

Annual operating budgets are established for each division for personnel compensation and other costs. All requests are checked for availability of funds. Monthly reports are issued to the director, assistant directors, and division chiefs. These reports are used in periodic management and financial review meetings.

The workload of the Office of Information is governed by the scope of the Department's total activities. These activities require the highest order of information coordination and direction of agency information activities, and liaison with many agencies and organizations outside the Department in order to obtain the broadest possible understanding of programs and services involved.

Review and Evaluation

The Director of Information meets weekly with the assistant directors and executive assistant, and every other week with the division chiefs to review programs, progress, and problems, including manpower needs and utilization.

The director and his immediate assistants meet monthly with agency information heads to plan and review overall Departmental information programs.

The Office participates in training programs to encourage the growth and productivity of its employees. It encourages and authorizes employees to attend courses in supervisory development, executive development, and professional and technical training. Its employees

conduct workshops and training courses in communications, publications improvement, visual information, and media operations.

Specific Areas of Emphasis

All areas of work programs will be subject to continuous review and appraisal through the mechanism of the staff meetings mentioned earlier. These review meetings will emphasize relating manpower requirements to work priorities and the assignment of personnel to achieve the greatest possible use of human resources. During the coming months, continuing emphasis also will be placed on the review of vacant positions and alternative methods of getting the work done will be fully explored.

Staff Assignment

The Office does not have a full-time staff assigned to the manpower program. Under the Director of Information, the executive assistant is assigned responsibility for coordination of the manpower control and utilization program.

Anticipated Results and Benefits

This Office recognizes the need for making a continuing appraisal of work effort to assure that individual and collective manpower capabilities are being utilized to the maximum extent possible. The reviews currently being carried out are helping to achieve greater efficiency and more effective use of manpower. These reviews should focus attention on the areas of greatest priority and permit flexibility of assignments where the manpower need is most acute.

OFFICE OF THE INSPECTOR GENERAL

The following are the proposed measures to be taken by the Office of the Inspector General to increase the efficiency and effectiveness of audit and investigation activities in the Department.

1. Analysis and appraisal of the work to be performed to assure that it is essential and will contribute to the accomplishment of agency objectives, and that appropriate targets and priorities are set.
2. Determination of manpower requirements using such tools as work measurement, work standards, productivity analysis, and manpower and workload reporting.
3. Manpower control systems utilizing such techniques as manpower allocation, tables of organization, reporting systems, special studies, periodic program reviews, and controls on filling of vacancies.
4. Specific efforts to increase productivity through improvements in organization, work design, work methods including systems and mechanization, mathematical programming, supervision, and personnel management, including skills inventories, employee consultation, training, and incentive and motivation programs.

Areas of Emphasis

Specific areas where emphasis will be placed in the next few months are:

1. Analysis of all auditable areas and establishment of the total audit workload for the Department; the preparation of an annual Departmental audit and investigation program.
2. Study of workload in terms of geographical location in order to select field office sites that will minimize non-productive travel time and provide the most effective flow of communications.
3. Determination of an appropriate staffing pattern for each field office to achieve adequate performance with minimum supervision.
4. Screening of all personnel actions affecting grades 13 and above to assure the competency of personnel to perform in supervisory or management positions.

Anticipated Results and Benefits

The audit and investigation program is directed toward assuring that any major weaknesses within the Department will not go long undiscovered, and once discovered, will not go long uncorrected. Audit and investigation performance will be so controlled as to achieve this goal with the minimum expenditure of manpower.

RURAL ELECTRIFICATION ADMINISTRATION

In the Rural Electrification Administration, action for management improvement and effective control and utilization of manpower is the result of joint effort by both line and staff personnel. It is approached as a basic responsibility of line officials backed up by strong staff stimulation and assistance to assure priority attention and effective action. These activities are all under the direction and coordination of the assistant administrator for operations.

In the last year, the administrator has given high priority to special review and appraisal of all REA activities and their administration. The appraisal is being accomplished through individual and group assignments involving both line and staff personnel. Substantial progress has already been made in identifying opportunities for improvement and savings. Emphasis on this activity will be continued.

In addition to the contribution made by the special surveys, all REA policies and procedures are under continuing review and revision through maintenance of the agency's administrative issuance system. The systematic and continuing review of issuances subjects REA policies and procedures to periodic appraisal and revision as necessary.

Manpower Requirements and Control

Manpower requirements for REA activities are carefully determined by the line personnel involved. They are reviewed in accordance with the agency's budgetary and personnel processes. These include careful budget formulation and review of both the workload and the staffing for each activity. Primary attention is given to the continuing need for each activity and the minimum resources of manpower and funds required for its execution.

The budget process is backed up by the work of the REA "Vacancy Committee" and the Personnel Division, which effectively screens the duties of and the need for filling each position which becomes vacant. The Committee is composed of the deputy administrator, chairman; the three assistant administrators; the director, Personnel Management Division and the budget officer.

Improvement of Management and Productivity

REA plans to continue its stress on improvement of programs, management, and productivity. Specific improvement projects are being continuously identified and carried out in each area of REA's program and administrative activities. These improvement projects are being scheduled and processed through the program of the Office of Management Appraisal and Systems Development in the Department.

On-the-job and group training programs for employees will be emphasized as a means of improving productivity. This includes training programs for technical personnel, first-line supervisors, and those in management capacities.

Priority Areas in Early 1963

The REA program for assuring an adequate supply of wholesale power to the rural electric systems of its borrowers, represents the area of greatest increase in REA program and workload for the next several years. The administration of this program will require a substantial increase in the REA staff, particularly in the engineering field. In the next several months, REA plans to give major attention to the ways and means of providing the necessary manpower resources for this activity to the largest possible extent from within its own organization and of improving the organization and procedures involved.

Through improvements in organization and procedures and the reassignment of personnel from other agency activities, the required net increase in the REA staff arising from the growth of the power supply program will be kept to a minimum. Program objectives will be met through more effective use of existing manpower in the agency and maintenance of administrative costs at minimum levels.

As a matter of priority attention, REA plans to reappraise the policy basis for its working relationships with borrowers. This will include a review of REA activities deemed necessary to accomplish the objectives of the Rural Electrification Act, including a review of borrowers' needs in relation to the security of government loans, the achievement of program objectives, and the alternative means for meeting these objectives in the future. The circumstances and requirements of REA borrowers continue to change and it is essential that REA assess the effect of these changes on agency activities and programs. The results of this analysis will provide a framework within which a systematic determination of essential activities can be made and specific applications of REA manpower assessed for continued need and effectiveness. This project will receive priority attention in the first three months of calendar year 1963.

Recognizing that good supervision is one of the most effective means of improving the use of manpower, REA plans to conduct a training program for its first-line supervisors during the next three months. The program will provide a refresher course for such supervisors in all the elements of practical supervision. The training should improve the effectiveness of supervision and thereby benefit personnel productivity and program performance.

SOIL CONSERVATION SERVICE

The production line in SCS received first priority attention. It has been Service policy to get all available resources possible in operation out in the field. Backstopping staff in Washington, D. C. and the States has been held to the minimum needed for quality control. Administrative expenses are constantly reviewed; studies are made to assure that staffs on the rolls do not exceed workload needs. There is need in many places for more technical specialists to provide specialty assistance to field technicians. Staff providing administrative services is under extreme work pressure constantly. By organization and policy, the latter work is confined as much as possible in 54 State and other business offices. This frees field staff from much so-called "paper work" for technical assistance to cooperating local organizations and farmers and ranchers. There are over 3600 Service activity locations serviced by the 54 State and other business offices.

Operating budgets are used as an administrative tool to program staffs to meet work demands within available funds at minimum cost. A single allotment is made of each fund to each State to finance operations of all units in the State. The Service has complex fund management problems due to required financing of much of the staff from several funds. In addition, over \$11,000,000 of reimbursable work is performed, the timing of which is not entirely under Service control. Budgetary control is maintained to prevent employment of permanent full-time staff in excess of the number that can be financed in the succeeding year with the current level of funds.

Local contributions to programs administered by the Service are urged as a matter of Service policy. These contributions can be in the form of cash advances or reimbursements or State or locally financed aids, clerks, etc., assigned to work with SCS technicians. This is in addition to program contributions by farmers and ranchers in time, machinery use, and cash.

Organization studies to improve supervision and operations and reduce costs are conducted when management reviews indicate the need for them. For example, the span of control of area conservationists has been watched. For a while 8 work units plus associated specialists and watershed projects were considered all that one man could handle. About 6 years ago the number was increased to 10. Recent studies indicate the number in many cases can be safely increased to an average of 12. With proper management training, more careful selection of area conservationists, and improved supervision by State offices, it is believed that this span of control is practical and States will now work toward this goal as training and organization adjustments permit.

Performance standards are used as a tool for improving the quality and quantity of work output by Service personnel. An annual evaluation of work performance by each employee and his supervisor is a key management tool in improving Service operations.

Employee Training

Adequate and effective employee training is essential to the success and efficient operations of the technical assistance programs administered by the Service. The Service has had a comprehensive and successful employee training program in effect for many years.

Incentive Awards System

The Service has an active incentive awards program. Employees are encouraged to develop and submit suggestions for work improvements. Participation is excellent. Cash awards for improvements have been effective in maintaining good interest in this activity. Honor and cash awards for superior work performance, both to individuals and groups, have created a wholesome competitive spirit for excelling in work done.

Manpower Utilization

The Service has a variety of methods and techniques for checking on and improving manpower utilization. The goal, of course, is to get maximum production of high quality from each employee. The key to success is good supervision and adequate management tools.

The operations management system includes determination of the soil and water conservation, land use adjustment, flood prevention, and rural community improvement work needed to be done, current workloads, available resources to get the work done, and accomplishment goals. It also includes for each work unit development of a program of actions to be taken and work schedules. This is followed up with necessary supervision and checks to see that not less than an adequate amount of work of acceptable quality is done by each Service employee involved.

Within the past two years new timekeeping and progress reporting systems were installed in the SCS which utilize automatic data processing for development of man-hour, cost, and progress data. These data in varied form are utilized for budgetary and internal management purposes. The systems effected substantial savings when installed. They permitted redirection of time of personnel valued at about \$900,000 from reporting to more useful activity.

Good work organization improves efficiency of operations, increases production, and decreases operating costs. As a part of Service management assistance to supervisors, tips or guides are issued as necessary to help them improve work organization in the units which they supervise.

Comparative summaries of time by activity and progress items and statements of costs are prepared periodically from data produced through the SCS timekeeping and progress reporting systems. These summaries and statements are utilized in Washington, State, and area offices as management tools to help improve employee time use and productivity. Areas which appear to need management attention can be spotted readily and necessary action taken. This field of activity is just developing toward its full potential in the SCS, now that needed data are being produced through the new reporting systems.

Included in the objectives of the inspection system of the Service are (1) recognition of good performance of personnel and (2) identification of new techniques, methods, and procedures from which the entire Service can benefit. Recently a change was made in the system of inspecting work unit offices which eliminated over 1500 annual inspections at an annual savings of about \$500,000. This has not weakened the program, because added stress has been placed on direct supervision by area conservationists.

Staff Assignments

The assistant administrator for management has the assigned responsibility in Washington, for Service manpower control and utilization programs. Staff assistance is provided to him by the Directors of the Budget and Finance Division and the Personnel Division. In the field, direct responsibility for carrying out Service policy and directives on this work is vested in the State conservationists, heads of cartographic units and engineering and watershed planning units, and the area conservationists. The Service expects its line officers to carry on a continuing and effective program of management improvement and manpower utilization with a minimum staff. All must be cost conscious because of the heavy conservation workload everywhere.

The Outlook

The Service has over the years already effected very substantial savings in the way of improved manpower utilization. Continuing stress has been placed on development of procedures that will reduce paper work by field technicians. Search is made for areas of inefficient and ineffective operations. When causes are determined corrective action is taken. This may involve providing needed training to the employees involved, closer supervision for a period of time, transfer to another headquarters, reassignment to different work, or termination of service.

Better supervisors are being developed through management training and experience. New management tools enable spotting of problem areas quickly. Current reports show how employee time is being spent and the progress being made. As low producers are spotted, they can be helped to organize their work better or otherwise improve their production. Good work has been done, but performance can and will be improved.

STATISTICAL REPORTING SERVICE

Each year when funds are allocated to the Statistical Reporting Service, a complete review of the program for the year is accomplished including operating proposals, financial and employment needs. Employment and vacancies are further examined during regular quarterly fund reviews as well as during other special or interim program evaluations. The Statistical Reporting Service currently has a committee developing a work measurement system for the Field Operations Division.

Emphasis will be given to manpower utilization during an enumerative survey in June. A pilot program utilizing other Departmental field employees is currently being negotiated. This contemplates using a limited number of Extension Service and Soil Conservation Service employees in twenty States during the scheduled June enumerative survey. This is expected to reduce the need for additional temporary employment and result in savings to the Department.

Data processing methods are being continually reviewed for possible conversion to ADP. Feasibility studies have been and continue to be made as likely areas for conversion are identified. Employee adaptability tests have been conducted in connection with ADP operations. Some qualified employees identified through the adaptability tests are being transferred to the ADP staff. In addition, a retraining program is scheduled to prepare these employees for ADP operations. This program will continue through the balance of this fiscal year.

Another area receiving particular emphasis at this time is ADP card punching needs and facilities. Examination in this area could result in the utilization of outside facilities at no increase in cost, thereby reducing the staffing requirements for card punching.

Review of manpower needs and utilization of the existing staff is under the constant surveillance of the administrator, deputy administrator, division directors, executive director of the Management Operations Staff, and the Divisions of Budget and Finance and Personnel of the Management Operations Staff.

